



Staff Report

PUBLIC HEARING TO CONSIDER A RESOLUTION APPROVING THE FUNDING OF A PORTION OF THE MANOR HOUSE RESTORATION (HEALTH & SAFETY CODE SECTION 33445 FINDINGS AND RELATED CEQA FINDINGS)

AND

RESOLUTION APPROVING PLANS AND SPECIFICATIONS, AUTHORIZING ADVERTISEMENT FOR SEALED BIDS, APPROVING AWARD OF CONTRACT TO THE LOWEST RESPONSIBLE BIDDER FOR AN AMOUNT NOT TO EXCEED \$477,000, APPROVING A CONSTRUCTION CONTINGENCY NOT TO EXCEED \$47,700, AND AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT FOR THE REORIENTATION OF THE BATHROOM AND MINIMAL PAINTING AND REPAIR, MANOR HOUSE RESTORATION PROJECT, CITY CONTRACT NUMBER 483

Honorable Mayor and Council Members:

Summary

Staff has previously been provided direction to reconfigure the bathroom and perform minimal painting and repair on the Manor House as part of the restoration of the Manor House project (the "Remaining Restoration Work"). As part of the Remaining Restoration Work, a large bee hive also needs to be removed from the side of the Manor House and miscellaneous work completed. Staff is requesting that the Redevelopment Agency fund the Remaining Restoration Work, which pursuant to Health & Safety Code Section 33445, requires a public hearing and requires the City Council to make a finding that there are no other reasonable sources of funding and requires an amendment of the FY 2008 Budget for supplemental appropriation.

In regards to the reconfiguration of the police station bathrooms and minimal repair of walls and painting, staff is also seeking: approval of the plans and specifications, authorization to go out to bid, and authorization to award contract.

Background

On August 14, 2007, the Redevelopment Agency first considered the restoration of the Manor House project (the "Manor House Restoration" or "Project"), which is owned by the City. At that time, the Redevelopment Agency recommended that the Manor House Restoration Project be done in two phases: the first phase was to entail removal of the penthouse and repairs to the roof and structure, and the second phase was to entail the reconfiguration of the former police station bathrooms, minimal repair and painting of the building, and removal of a large bee hive and miscellaneous work (the "Remaining Restoration Work").

On October 9, 2007, the City Council approved the plans and specifications, authorized bidding and award of contract and agreed to fund what would have been the first phase of the Project, the removal of the penthouse and repairs to the roof and structure (the "City Funded Restoration Work").

Staff has subsequently determined that it would be more cost and time effective to do the Manor House Restoration Project all at once instead of in phases. Further, staff has determined that the only funding source for the Remaining Restoration Work is from redevelopment tax increment funds. The Manor House Restoration Project needs to be completed in time for the 100th Anniversary celebration scheduled for October, 2008.

The attached staff reports dated August 14, 2007 and October 9, 2007, and accompanying resolutions, include more detailed background information considered by the Redevelopment Agency and Council in formulating the plan for the Manor House Restoration Project.

Discussion

A. Funding of Remaining Restoration Work

On October 9, 2007, the City Council authorized funding the City Funded Restoration Work from the City's General Facilities Fund. However, there is insufficient money in the City's General Facilities Fund to pay for the Remaining Restoration Work (the reconfiguration of the former police station bathrooms is estimated at \$193,000, the minimal repair and painting is estimated at \$284,000 and the bee hive removal and miscellaneous work is estimated at \$20,000). As such, staff is requesting that the Agency fund the Remaining Restoration Work from tax increment money.

Pursuant to Health and Safety Code Section 33445, a redevelopment agency may use tax increment money to pay for the reconstruction costs of a public improvement. Before a redevelopment agency may expend money for such public improvements, the following findings must be made with factual support: (1) the public improvements are of benefit to the project area or the immediate neighborhood of the project area; (2); the agency's contribution to the cost of the public improvement or facility will assist in elimination of one or more blighting conditions in the project area and (3) no other reasonable means of financing such public improvements are available to the community. The court case of *Dave Meaney v. Sacramento Housing and Redevelopment Agency* (13 Cal.App. 4th 566, 1993) held that when the public improvement is owned by a public entity other than a redevelopment agency, the entity that owns the public improvement is the appropriate entity to make the finding that there is no other reasonable means of financing the public improvement. As such, because the City owns the Manor House, the City Council needs to pass a resolution making the finding that there is no other reasonable means of financing the public improvement. The Agency will need to pass a resolution making the other findings. The factual basis for such findings is set forth below:

1. Facts Supporting the Finding That the Funding of the Remaining Restoration Work is of Benefit to the Project Area. The Remaining Restoration Work will benefit the Project Area by rehabilitating a dilapidated, historic building. The conservation and improvement of existing public structures is a listed goal of the 1991 Amended and Restated Redevelopment Plan (the "Plan"), and the restoration of the Manor House Restoration is specifically mentioned in the Plan. The Manor House Restoration will help revitalize and beautify the Los Costanos redevelopment area.
2. Facts Supporting Finding That Funding the Remaining Restoration Work Will Assist In Eliminating One or More Blighting Conditions in the Project Area. The Manor House is currently dilapidated and cannot be used to its full potential as the bottom floor was reconstructed to serve the police station as a bathroom and evidence room. By restoring the Manor House, a historic building will be preserved for the community, and the public use of the building will be maximized. Further, the building will not longer be dilapidated.
3. Facts Supporting Finding That Funding the Remaining Restoration Work Is Consistent With the Agency's Implementation Plan. The Agency's Implementation Plan expressly provides for the restoration of the Manor House.
4. Facts Supporting the Finding That There Are No Other Reasonable Means of Financing the Remaining Restoration Work. There are no additional means available to the community, including the City of Belmont (the "City") and the private sector, to fund the Remaining Restoration Work other than the proposed expenditure of the Agency's tax increment revenue out of its general tax increment funds. Because of the City's need to provide essential public health and safety services and reductions in available revenue resulting from the State's redirection of property taxes from cities and counties to schools, the City has a limited capital improvement fund and that fund is committed to other critical City projects. Nevertheless, the City has agreed to contribute the maximum amount available from the City's General Facilities Fund to pay for the removal of the pent house and repairs to the roof and structure.

Further, while restoration of the Manor House will benefit the neighborhood in general by eliminating a blighting condition, no properties will be benefited to such a degree or in such a direct fashion as would allow the imposition of a property-based fee, assessment, special tax or other public exaction consistent with the applicable legal standards for such imposition set forth in Proposition 218.

Lastly, although the Planned Park Fund was identified as a possible source for funding the Remaining Restoration Work in the October 9, 2007 staff report, there is no unallocated balance in the fund and therefore the money is not available.

B. Approval of Plans and Specifications and Authorization to Bid and Award Contract.

Staff already has the requisite authorization to proceed with the City Funded Restoration Work, but is seeking approval of the plans and specifications and authorization to go out to bid and award contract for the reconfiguration of the former police station bathrooms and minimal repair and painting of the building. The bee hive removal and miscellaneous work will be done under a separate contract and because the work will be less than \$25,000, staff is not seeking Council authorization.

General Plan/Vision Statement

This project embraces the Belmont Vision Statement that states “our actions today preserve and enhance Belmont’s beauty to make it even lovelier for our grandchildren” and “our history makes Belmont what it is, and we preserve that heritage for our children.”

Fiscal Impact

The cost to reconfigure the former police station bathrooms is estimated at \$193,000; the minimal repair and painting is estimated to cost \$284,000 and the bee hive removal and miscellaneous work is estimated at \$20,000. The total cost of this work is \$497,000. Staff recommends funding a 10% contingency for this work, which is \$49,700. The total amount for the work and the contingency is \$546,700. Staff recommends that this amount be paid for out of the Agency's tax increment money from account number 4610-351-9537-9030.

Public Contact

Publication of notice of public hearing pursuant to Health and Safety Code Section 33679 and the publication and posting of the Council and Redevelopment Agency agendas.

Recommendation

It is recommended that the City Council adopt the Resolution and make the requisite finding that there is no other reasonable means of financing the Remaining Restoration Work other than from Redevelopment Tax Increment and make related CEQA findings.

It is also recommended that the City Council do the following in regards to the reconfiguration of the police station bathrooms and minimal repair of walls and painting: approve the plans and specifications, authorize advertisement for sealed bids, approve award of contract to the lowest responsible bidder for an amount not to exceed \$524,700, which sum includes a 10% contingency, and authorize the City Manager to execute a contract for such work

Alternatives

1. Take no action.
2. Refer back to staff for additional information.
3. Deny approval.

Attachments

- A. Resolution Approving Funding
- B. Resolution Approving Plans and Specifications
- C. Staff Report dated August 14, 2007, Discussion/Direction Manor House Restoration, CCN-483 (Council only)
- D. Staff Report dated October 9, 2007, Approving Plans And Specifications for the Penthouse Removal, Repair Structure, and Roof, Manor House Restoration Project, CCN-483 (Council only)

Respectfully submitted,

Raymond E. Davis III, PE, PTOE
Public Works Director

Jack R. Crist
Executive Director

Staff Contact:

Ray Davis, Public Works Director
595-7459
rdavis@belmont.gov

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELMONT APPROVING
PLANS AND SPECIFICATIONS, AUTHORIZING ADVERTISEMENT FOR SEALED
BIDS, APPROVING AWARD OF CONTRACT TO THE LOWEST RESPONSIBLE
BIDDER FOR AN AMOUNT NOT TO EXCEED \$477,000, APPROVING A
CONSTRUCTION CONTINGENCY NOT TO EXCEED \$47,700, AND AUTHORIZING
THE CITY MANAGER TO EXECUTE A CONTRACT FOR THE REORIENTATION
OF THE BATHROOM AND MINIMAL PAINTING AND REPAIR, MANOR HOUSE
RESTORATION PROJECT, CITY CONTRACT NUMBER 483**

WHEREAS, the Redevelopment Agency has previously directed staff to remove the penthouse on the Manor House, repair the structure and roof as necessary to the buildings original configuration, reconfigure the bathrooms and complete minimal repairs and painting of the Manor House; and,

WHEREAS, the City Council of the City of Belmont has previously authorized the City Manager to execute a contract for the penthouse removal, repair of the structure and roof for the Manor House Restoration Project, City Contract number 483; and,

WHEREAS, the reorientation of the bathroom and minimal painting and repair for the Manor House Restoration Project is the second and third phase of the project; and,

WHEREAS, in considering approval of this Resolution, the Agency and the City Council have complied with the requirements of the California Environmental Quality Act ("CEQA") in the manner found and determined below; and,

WHEREAS, the recommended funds to finance this project in the amount of \$524,700 will come from 4610-351-9537-9030; and,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Belmont approves the plans and specifications, authorizes advertisement for sealed bids, approves award of contract to the lowest responsible bidder for an amount not to exceed \$477,000, approves a contingency not to exceed \$47,700, authorizes a supplemental appropriation to the Fiscal Year 2009 budget, and authorizes the City Manager to execute a contract for the reorientation of the bathroom and minimal painting and repair for the Manor House Restoration Project, City Contract Number 483.

BE IT FURTHER RESOLVED that the City hereby finds and determines that the approval of this Resolution and funding of the restoration of the Manor House are categorically exempt from the requirements of CEQA pursuant to 14 California Code of Regulations Section 15302 (in that the Manor House building will be rehabilitated).

BE IT FURTHER RESOLVED that, based on the foregoing CEQA considerations, City staff is authorized and directed to file the appropriate notice of exemption documents pursuant to CEQA in connection with the actions and approvals set forth in this Resolution ("Notice of Exemption").

* * * * *

I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of Belmont at a regular meeting thereof held on May 13, 2008 by the following vote:

AYES, COUNCILMEMBERS: _____

NOES, COUNCILMEMBERS: _____

ABSTAIN, COUNCILMEMBERS: _____

ABSENT, COUNCILMEMBERS: _____

CLERK of the City of Belmont

APPROVED:

MAYOR of the City of Belmont

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELMONT
APPROVING THE FUNDING OF A PORTION OF THE MANOR HOUSE
RESTORATION (HEALTH & SAFETY CODE SECTION 33445 FINDINGS
AND RELATED CEQA FINDINGS)**

WHEREAS, pursuant to the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.; the "Redevelopment Law"), the City Council (the "City Council") of the City of Belmont (the "City") has adopted and the Belmont Redevelopment Agency (the "Agency") is responsible for implementing the Los Costanos Community Development Plan, adopted by Ordinance No. 692 on November 24, 1981, as amended by Ordinance No. 849 on September 10, 1991, Ordinance No. 887 on November 8, 1994, and Ordinance No. 1000 on May 11, 2004, and as may be further amended from time to time (the "Redevelopment Plan"); and,

WHEREAS, to assist in implementing the Redevelopment Plan, on September 11, 2007 the Agency adopted a five-year implementation plan (the "Implementation Plan") pursuant to Section 33490 of the Redevelopment Law; and,

WHEREAS, in furtherance of the Redevelopment Plan and the Implementation Plan, the Agency desires to provide financial assistance from tax increment funds to complete the restoration of the Manor House. On October 9, 2007, the City Council authorized the removal of the penthouse and repairs to the roof and structure, which will be paid from the City's General Facilities Fund. The Agency's financial assistance will allow for the completion of the restoration work by paying for the reconfiguration of the bathrooms on the bottom floor, painting and minor repair work to the walls, removal of the large bee hive, and miscellaneous work; and,

WHEREAS, Health & Safety Code Section 33445 requires that before the Agency may provide financial assistance to restore the Manor House certain findings must be made, including a finding by the City that there are no other reasonable means of financing the restoration of Manor House; and,

WHEREAS, the following additional materials (collectively, the "Supporting Documents") have been presented to and considered by the City Council in support of the findings and approvals set forth in this Resolution: (1) the staff report of May 13, 2008 accompanying this Resolution; and (2) the Notice of Exemption (both as defined below). The Supporting Documents are hereby incorporated by reference in this Resolution and, together with the above recitals (the "Recitals"), form the evidentiary basis and establish the analytical route for reaching the ultimate findings and conclusions contained in this Resolution; and,

WHEREAS, in considering approval of this Resolution, the Agency and the City Council have complied with the requirements of the California Environmental Quality Action ("CEQA") in the manner found and determined below; and,

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby finds that the above Recitals are true and correct and have served, together with the Supporting Documents, as the basis for the findings and approvals set forth below.

BE IT FURTHER RESOLVED that the City Council hereby finds and determines that the approval of this Resolution and the Agency's funding of the Restoration of Manor House are categorically exempt from the requirements of California Environmental Quality Act ("CEQA") pursuant to 14 California Code of Regulations Section 15302 (in that the Manor House building will be rehabilitated).

BE IT FURTHER RESOLVED that based on the foregoing CEQA considerations, Agency staff is authorized and directed to file the appropriate notice of exemption documents pursuant to CEQA in connection with the actions and approvals set forth in this Resolution ("Notice of Exemption").

BE IT FURTHER RESOLVED that, based on the information and analysis contained in the Recitals and the Supporting Documents, and in accordance with Section 33445 of the Redevelopment Law, the City Council hereby finds that there is no other reasonable means of financing the Restoration of Manor House available to the community, including the City, the Agency, other public entities and the private sector (as more fully explained in the Supporting Documents). Based on the foregoing, the City Council hereby consents to the payment by the Agency of the costs of the Restoration of Manor House.

BE IT FURTHER RESOLVED that this Resolution shall become effective immediately upon its passage and adoption.

* * * * *

I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of Belmont at a regular meeting thereof held on May 13, 2008 by the following vote:

AYES, COUNCIL MEMBERS: _____

NOES, COUNCIL MEMBERS: _____

ABSTAIN, COUNCIL MEMBERS: _____

ABSENT, COUNCIL MEMBERS: _____

CLERK of the City of Belmont

APPROVED:

MAYOR of the City of Belmont